

The President's Daily Brief

12 April 1973

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~~*Top Secret*~~

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

The outlook for rice-importing countries is bleak with little rice available for purchase anywhere and with prices more than doubled in the past nine months. (Page 1)

The EC Commission's recommendations on the Community's position toward the coming multilateral trade negotiations stress reciprocity among developed countries and expansion of world agricultural trade. (Page 2)

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Libyan President Qadhafi's fears [redacted] an Israeli attack [redacted]

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North Vietnamese units yesterday launched a heavy attack against government positions near Tha Viang southeast of the Plaine des Jarres. (Page 5)

Intercepted North Vietnamese communications since the shootdown of the ICCS aircraft on April 7 show that the Communists are trying to prevent another incident. (Page 6)

Palestinian guerrilla organizations are trying to develop a major anti-American campaign in Beirut. (Page 6)

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WORLD RICE SITUATION

The outlook for rice-importing countries is bleak, at least until after the fall harvest. There is very little rice available for purchase anywhere and prices for the small amounts available have more than doubled in the past nine months.

The US harvest, for example, would normally be in August, but because of bad weather it will be delayed and may not meet goals for a ten-percent increase in production. The major Asian crops will not be planted until the monsoon begins, probably in June, and will not be harvested until November.

World rice exports this year almost certainly will total less than 7 million tons, compared with the record 8 million tons exported last year. US exports will probably be comparable to last year's 2 million tons, but exports from Thailand, Japan, and Burma probably will be lower, accounting for most of the expected difference between 1972 and this year.

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EUROPEAN COMMUNITIES

The EC Commission's recommendations on the Community's position toward the coming multilateral trade negotiations stress reciprocity among developed countries and expansion of world agricultural trade.

The Commission considers a total elimination of tariffs unrealistic and suggests instead a leveling of tariffs and reciprocity of tariff reduction within individual categories of industrial goods. The Commission holds that non-tariff barriers to trade--such as quotas, licensing systems, and technical standards--are so diverse that they should be dealt with on a case-by-case basis.

Although agricultural price policies will not be addressed directly in the talks, the Commission recognizes that they will be affected by negotiations on structural reform and export subsidies. It recommends international agreements on certain products, some of which would give preference to developing countries.

In further recognition of the demands of developing countries, the Commission advocates improving the EC's scheme of generalized preferences and excepting a small number of products from tariff reductions. It notes, however, that concessions in the EC's scheme will depend on the adoption of a similar program by the US.

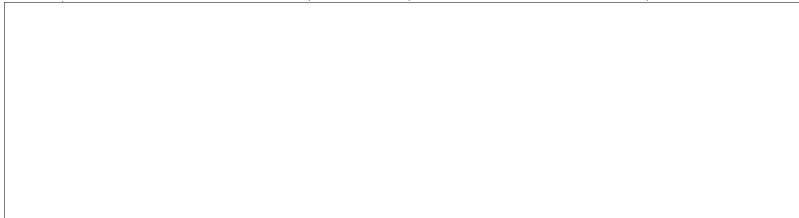
The Commission seems deliberately ambiguous on safeguards against imports. While calling for non-discrimination on the one hand, it seems to recognize on the other the selective application of safeguard measures. Should such measures be employed, the Commission advocates international supervision.

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LIBYA



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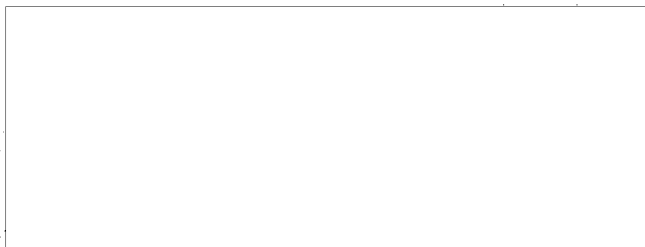


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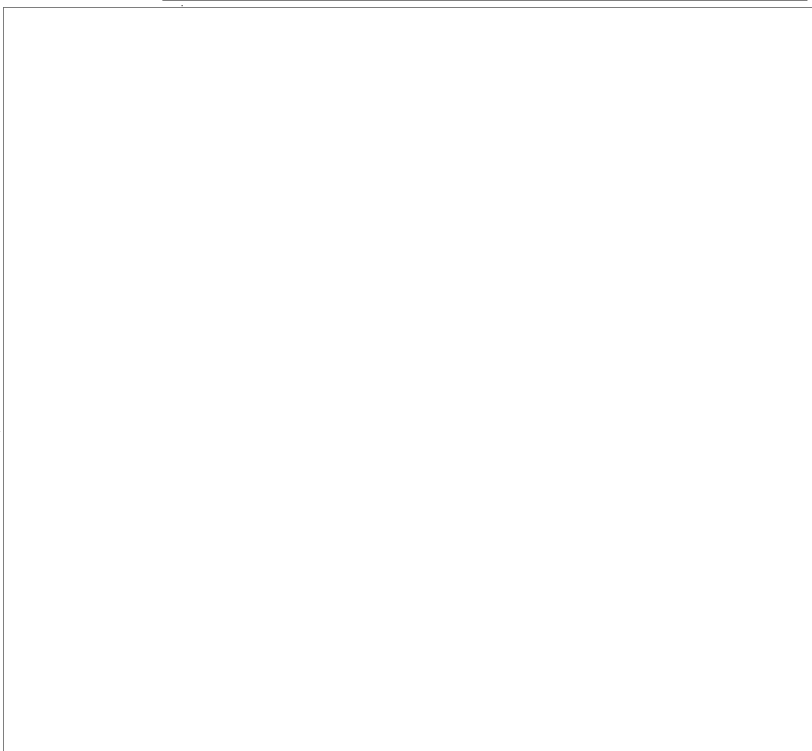
Qadhafi's fears of an Israeli attack probably have been heightened by the Israeli raid into Lebanon earlier this week and by Tel Aviv's subsequent warning that it will strike at the terrorists anywhere.

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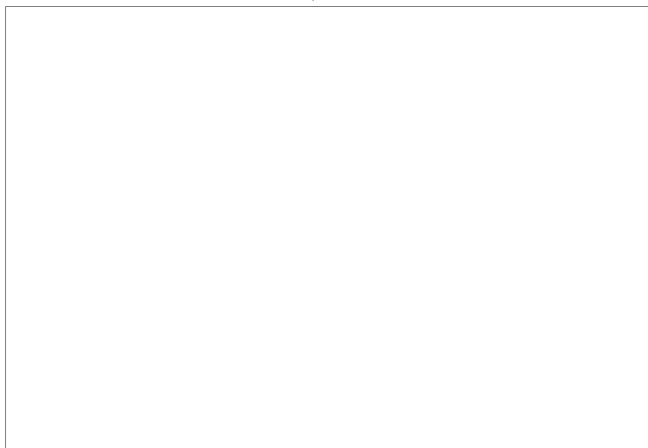
CHINA - NORTH VIETNAM



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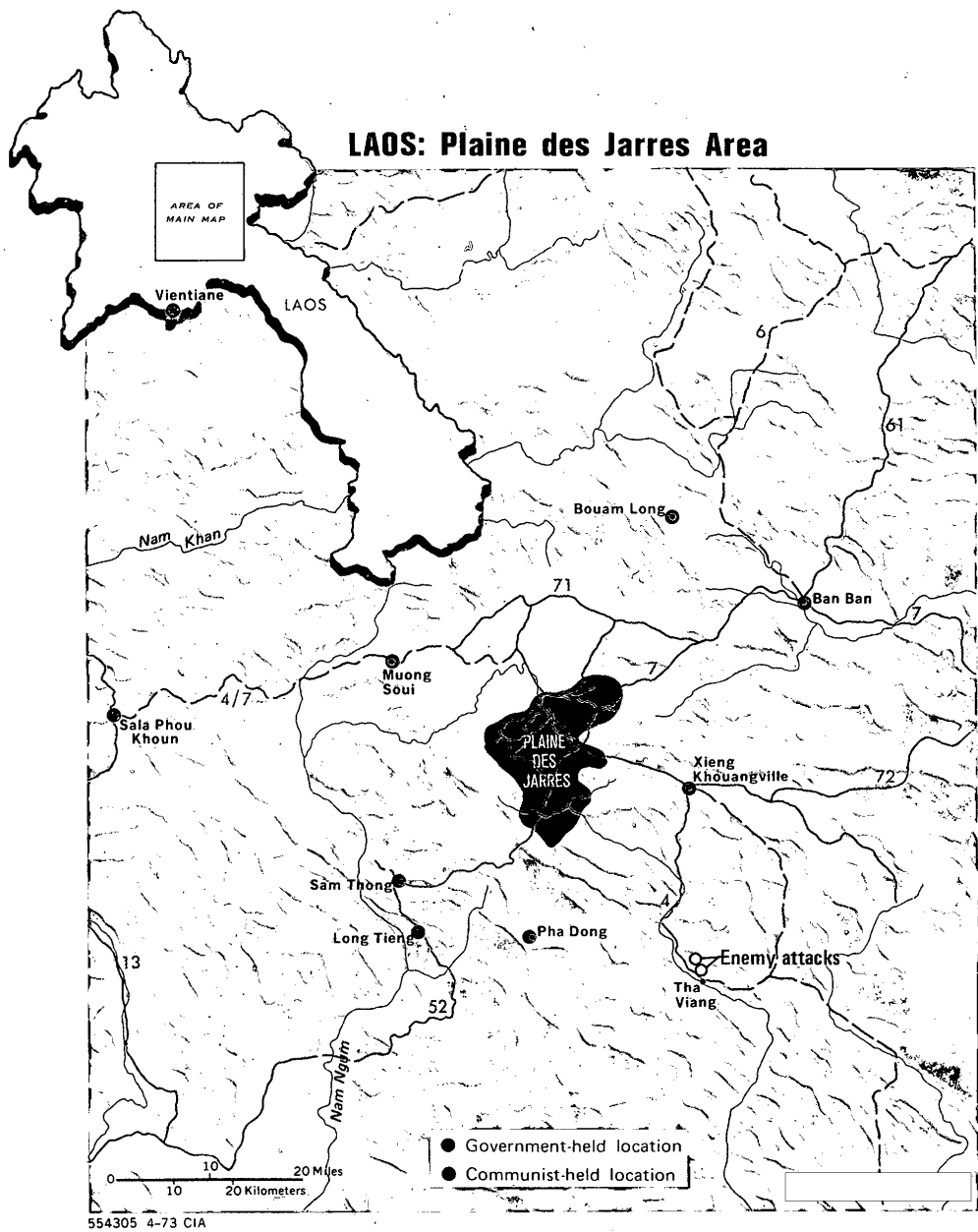


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LAOS

North Vietnamese units yesterday launched a heavy attack against government positions near Tha Viang, a village on Route 4 southeast of the Plaine des Jarres. Government troops, supported by Lao T-28s, so far have held most positions and have suffered few casualties.

At least five North Vietnamese infantry battalions along with artillery and sapper units are now near Tha Viang. Intercepted enemy radio messages indicate that these units will attempt to drive the government from the area.

The Communists have pointed to the government presence at Tha Viang as an encroachment on their territory. Several government battalions moved into this area late last month after Communist attacks forced them from positions farther north. These units have since been reinforced and some 2,000 government troops are now in the vicinity of Tha Viang.

Vientiane has not commented on this outbreak of fighting

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NOTES

Vietnam: Intercepted North Vietnamese communications since the shootdown of the ICCS aircraft on April 7 show that the Communists are trying to prevent another incident. Messages from various Communist authorities have ordered air defense units to withhold fire against helicopters when identification is not possible, to fire only if fired on, and to distinguish carefully between ICCS and other aircraft.

Fedayeen-Lebanon: Palestinian guerrilla organizations are trying to develop a major anti-American campaign in Beirut. For the second day police dispersed demonstrators yesterday that were attempting to reach the US Embassy. In their effort to provoke incidents, guerrilla agitators will try to exploit the funeral for the three slain fedayeen leaders today.

Peru: The reported arrest on Tuesday of General Rafael Hoyos Rubio and his replacement as commander of the armored division is a forceful show of strength by moderate elements who are maneuvering to ensure that Prime Minister Mercado will succeed the ailing President Velasco. Loss of effective control over this key Lima-based division seriously erodes Velasco's ability to hang on to the presidency indefinitely and limits his influence on the choice of his successor.

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